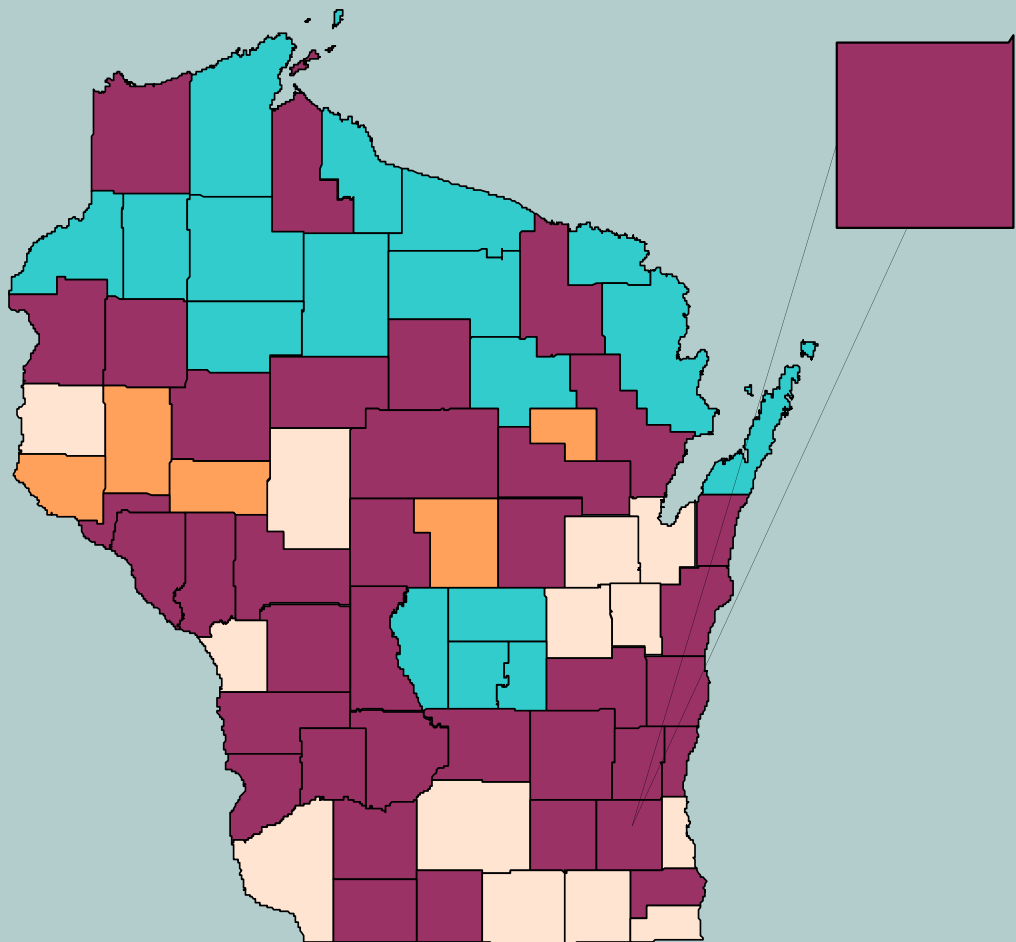


Waukesha County Workforce Profile

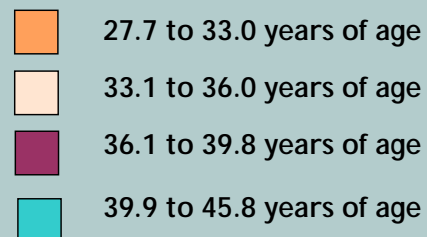
Median Age by County, 2000



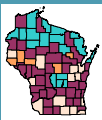
Your complete
guide to the
state of the
labor force of
today and a
glimpse into
the economy of
tomorrow.



State of Wisconsin
Department of Workforce Development
October 2002



Source: Census 2000 of the United States



County Population

Waukesha County experienced a modest 0.8% annual population gain in 2001. This increase of approximately 2,800 residents represents the greatest population gain in the four county Milwaukee-Waukesha metropolitan area. This 0.8% increase outpaced the percentage gain observed in either the United States or Wisconsin (0.7%). This significant gain continues the trend of growth experienced in the county over the course of the 1990's, when the county's population grew by nearly 51,000 residents, or 16.7%. Again, in comparison, the United States grew by 8.7% and Wisconsin added 8.5% to its population over the decade. From a metropolitan perspective, the 16.7% growth rate ranks behind Washington County (20.8%), but ahead of either Ozaukee County (12.3%), or Milwaukee County (-0.5%).

Another indicator of growth in the county with respect to population can be seen in analyzing the growth in the county's housing stock. According to data obtained through Census 2000, Waukesha County saw the construction of approximately 35,125 new housing units since 1990. This represents the greatest amount of new construction in the four county metropolitan area, ahead of Milwau-

kee County (24,000 units), Washington County (12,400 units), and Ozaukee County (6,700 units). When viewed on a per capita basis, Waukesha County builders built one new housing unit per 10.4 residents. Washington County reported a slightly better ratio of one unit per 9.5 residents, while Ozaukee County reported one new unit per 12.4 residents, and Milwaukee County reported one new unit per 39.3 units. One important caveat to this data must be stated. The new housing unit data does not differentiate between completely new construction or construction that is replacing a unit that was previously in the county's housing stock. Nonetheless, the growth of the Waukesha County housing stock gives a good indication that regional growth is pushing to the west.

When analyzing population changes in a metropolitan area, another useful measure to consider is the composition of the new population. Between 1995 and 2000, 40.5% of the county's population changed residence. Of that approximately 40%, 19.6% changed residences within the county, while 20.9% moved to Waukesha County from a different county. Of that 21%, 15.3% migrated to Waukesha

(Continued on page 2)

Total Population

	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Waukesha County	360,767	363,571	0.8%

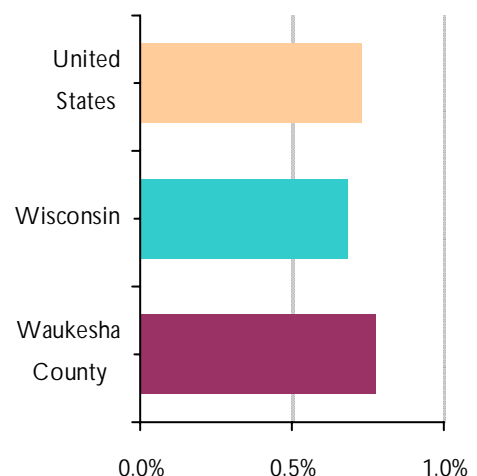
Ten Largest Municipalities

Waukesha, City	64,825	65,324	0.8%
Brookfield, City	38,649	38,823	0.5%
New Berlin, City	38,220	38,652	1.1%
Menomonee Falls, Village	32,647	32,778	0.4%
Muskego, City	21,397	21,491	0.4%
Oconomowoc, City	12,382	12,545	1.3%
Pewaukee, City	11,783	11,964	1.5%
Lisbon, Town	9,359	9,426	0.7%
Sussex, Village	8,828	8,932	1.2%
Waukesha, Town	8,596	8,605	0.1%

* Waukesha portion only

Source: Wisconsin Department of Administration, Demographic Services, 2002

Population Growth 2000-2001



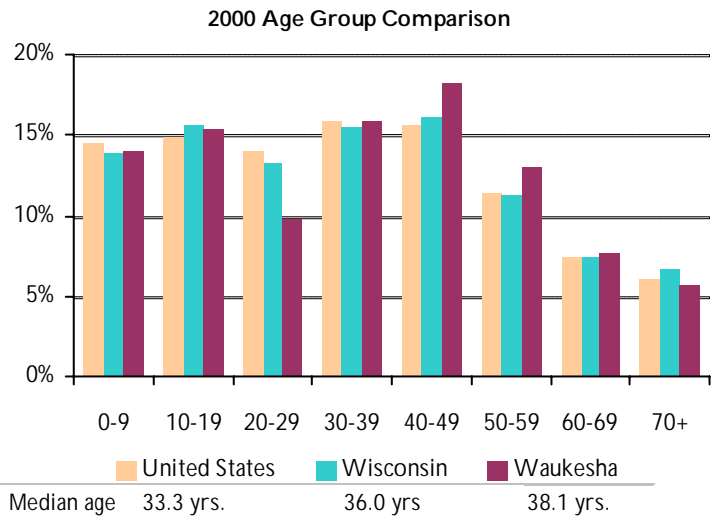


State of Wisconsin - Waukesha County

County from another county in Wisconsin, while 5.6% moved to the county from another part of the country. The primary motivation for new residents to move into the area is to capitalize on the large number of career opportunities that exist in the metropolitan area.

Looking at population changes from a municipal, rather than a county perspective, the most significant conclusion that can be drawn is that none of the ten largest municipalities lost population in 2001, a phenomena that is unique among the four counties in the metropolitan area. Among municipalities experience the greatest rate of growth are Pewaukee (1.7%), Oconomowoc (1.5%), Sussex (1.2%), and New Berlin (1.1%).

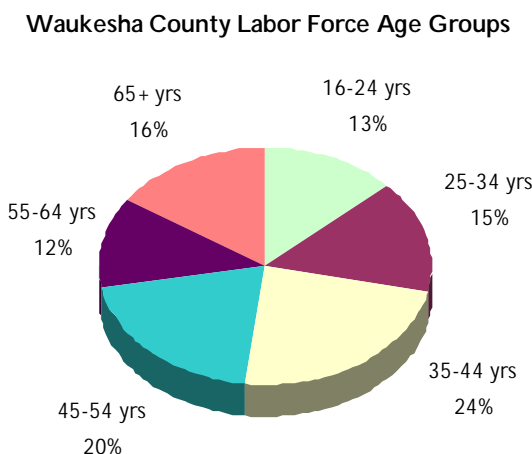
A final demographic characteristic that is useful in analyzing the changing population of Waukesha County is the distribution of the population amongst various age groups. This age distribution is illustrate in the chart above. The median age of Waukesha County's population in 2000 was 38.1 years, which is higher than both the nation's and state's median age. From a metropolitan perspec-



Source: US Department of Commerce, Census Bureau, *Census 2000*

tive, this figure ranks behind Ozaukee County (38.9) among the four counties, but ahead of Washington County (36.6) and Milwaukee County (33.7 years). Additional analysis of the county's age distribution shows that the county's population lags behind the state and nation in its percentage of residents aged 30 and lower. Additionally, while the percentage of residents aged 60 and above is below the state distribution, it equals the national distribution. This has significant ramifications for the labor force.

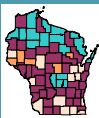
County Civilian Labor Force



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

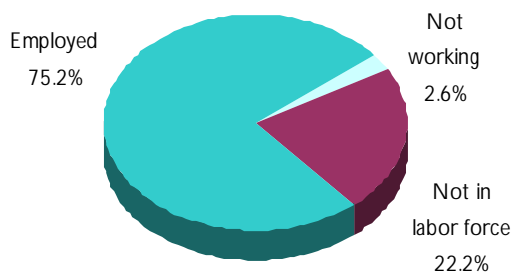
As suggested above, the aging of the Waukesha County population has a significant impact on the health of the county's labor force. This impact is shown in the chart to the left. Nearly half (48%) of the county's labor force eligible population is aged 45 and above. This age group represents those that are either currently retired, or those that will be considering retirement over the course of the next twenty years. Additionally, nearly a quarter of the population is aged 35-44. These workers will be approaching retirement and are either beyond or approaching the end of their child-bearing years. This is evidenced by the relatively low percentage of residents aged 0 to 19. Because of these divergent trends, the potential for a future labor shortage in the county is significant as the rate of retirement is

(Continued on page 3)



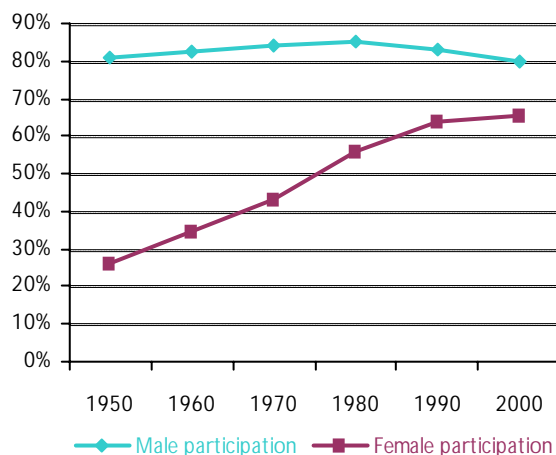
State of Wisconsin - Waukesha County

2001 Labor Force Participation



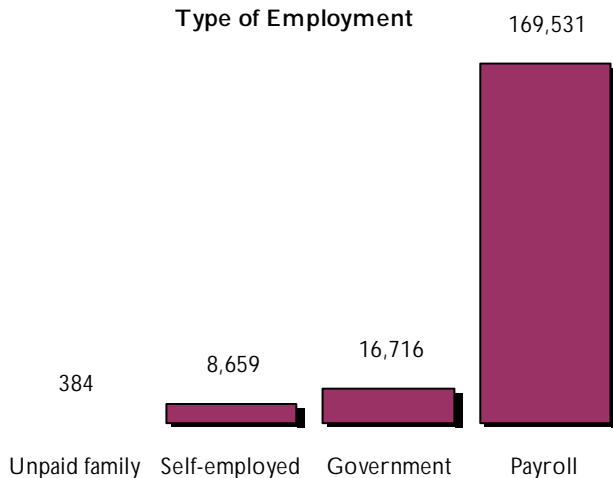
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

Type of Employment



likely to surpass the rate of entry into the workforce. County projections, based off of the current population indicate that this will occur in 2019.

The labor force is the sum of those employed and unemployed *that have actively sought work in the last month*. **Labor Force eligible must be 16 years or older and not a member of an institutional population** such as a prison or an armed forces member living on a military base. The term "unemployed" does not necessarily include all people who are not working. For example, those who are retired or choose not to work are not considered unemployed. The phrase "Not Working" in the graph below assumes unemployed for the purposes of this profile.

The Waukesha County labor force participation rate in 2001 was 77.8%, a decrease of 0.1% from 2000. This is in comparison to a statewide labor force participation rate of 73.5% for the state, which is 0.7% higher than 2000, and a national rate of 66.9%, which is 0.3% than that reported in 2000. The county rate is the highest in the metropolitan area, ranking ahead of Ozaukee County (77.7%), Washington County (76.1%), and Milwaukee County (68.0%). This high rate can be primarily attributed to the high percentage of employed persons in the labor force, as well as those unemployed but seeking employment. Much of this high rate can further be attributed to the significant rate of job growth that has occurred in Waukesha County, as well as the metropolitan area over the past five years. The creation of new opportunities draws new residents into the county, as previously discussed, as well as provides incentives for those who many not have been connected to the workforce to enter the active labor force.

Another interesting trend that has developed over the past fifty years is the divergent growth patterns of the male and female labor force participation rate. As shown in the trend graph above, the male labor force participation rate between 1950 and 1980 experienced a relatively modest rate of growth. However, during the past two decades, this rate experienced an equally modest decline. In contrast, the female labor force participation rate has exhibited significant growth over the course of

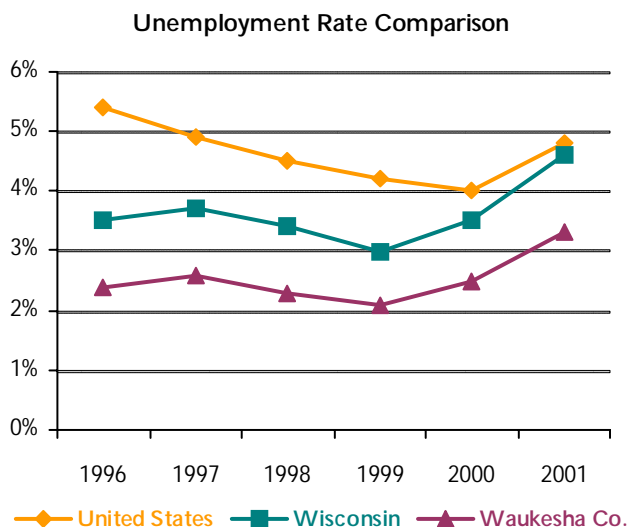
(Continued on page 4)



State of Wisconsin - Waukesha County

the past fifty years. However, this growth trend slowed in the past decade. Much of this disparity can be attributed to a renewed trend of females entering the workforce, mirroring a pattern observed in the late 1960's and 1970's, as the number of dual-income households increased. Additionally, during the course of the past decade, job growth in "traditional," or male-dominated industries has been surpassed by growth in service-oriented industries.

Another interesting characteristic of the county's labor force composition is the distribution of various types of employment in the labor force. In Waukesha County, as in the metropolitan area, a vast majority of workers are employed in payroll, or private positions. A significant number of workers are also employed by government agencies, the majority of whom work for local agencies, with a lesser share employed by the state and federal government. A final interesting characteristic is the significant portion of self-employed workers in the county, reflecting a strong potential for entrepreneurial development in the county.

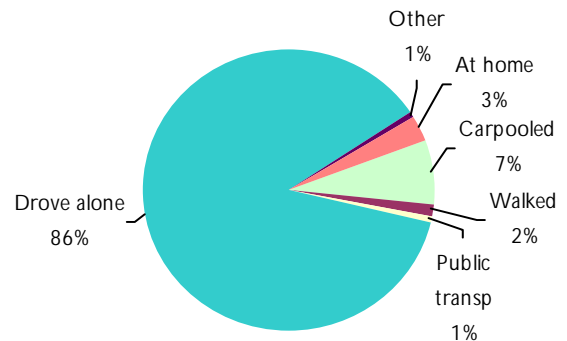


Waukesha County Civilian Labor Force Data

	1996	1997	1998	1999	2000	2001
Labor Force	206,800	209,900	212,600	211,500	212,900	215,200
Employed	201,700	204,600	207,700	207,100	207,700	208,000
Unemployed	5,060	5,370	4,920	4,380	5,240	7,120
Unemployment Rate	2.4%	2.6%	2.3%	2.1%	2.5%	3.3%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002

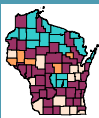
County Travel-to-Work Patterns



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

In addition to where workers work, an important consideration in understanding the county's labor force is how the county's workers get to the workplace every day. According to data obtained from Census 2000 (note: more detailed commuting pattern data will be available in future profiles.), a vast majority (93%) of the county's workers either drive alone or carpool to the workplace each day. In contrast, a vastly lesser percentage of the population (1%) utilize some form of public transportation, despite the presence of a well-developed public transit system connecting Waukesha and Milwaukee County.

Moving from the ranks of the employed to the unemployed, the chart on the left shows the change in unemployment over the course of the past five years. A cursory glance of these trend lines show that the change in unemployment in Waukesha County closely mirrors fluctuations within the state. However, the Waukesha County rate has remained significantly lower than either the national or the state unemployment rate over the past five years. Despite this fluctuation, where unemployment has increased by 0.9% over the past five years, the unemployment rate remains below the 4.0% threshold considered by many to be "natural employment."



County Industry Employment

Nonfarm Wage and Salary Employment

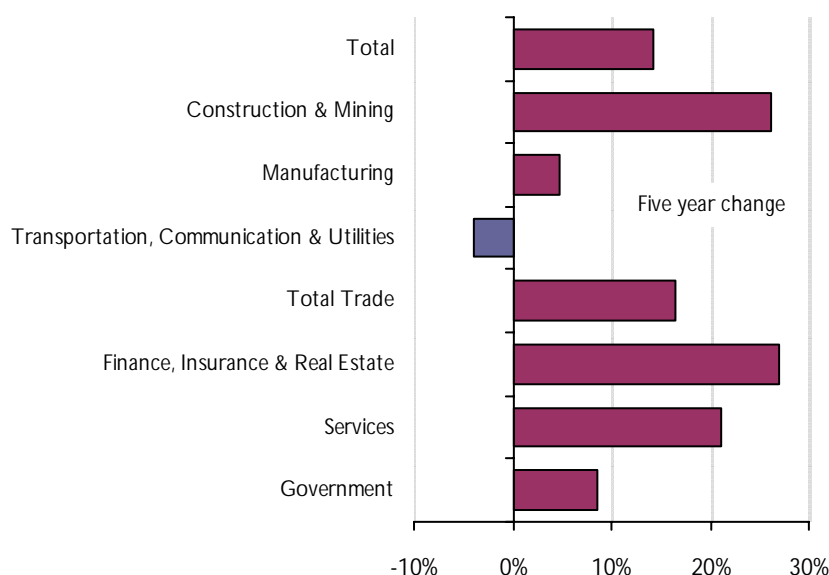
	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
Total	200,673	206,488	215,592	222,791	227,520	229,273	0.8%	14.3%
Goods Producing	63,776	65,401	68,908	69,496	70,216	69,528	-1.0%	9.0%
Construction & Mining	12,754	13,244	13,976	15,467	15,123	16,100	6.5%	26.2%
Manufacturing	51,022	52,157	54,931	54,028	55,093	53,428	-3.0%	4.7%
Durable	33,460	34,384	36,301	34,926	36,005	35,391	-1.7%	5.8%
Nondurable	17,562	17,773	18,631	19,102	19,088	18,037	-5.5%	2.7%
Service Producing	136,898	141,087	146,684	153,295	157,304	159,745	1.6%	16.7%
Transportation, Communications & Utilities	8,679	8,553	8,439	8,256	8,192	8,340	1.8%	-3.9%
Total Trade	50,524	51,375	52,573	55,716	56,598	58,796	3.9%	16.4%
Wholesale	18,631	19,161	19,814	20,008	20,106	19,410	-3.5%	4.2%
Retail	31,893	32,214	32,759	35,708	36,492	39,386	7.9%	23.5%
Finance, Insurance, and Real Estate	11,205	11,457	12,017	11,980	13,640	14,218	4.2%	26.9%
Services & Misc.	49,500	52,492	56,102	59,686	60,424	59,954	-0.8%	21.1%
Total Government	16,989	17,211	17,553	17,657	18,448	18,438	-0.1%	8.5%

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

In contrast to the growth pattern of the general labor force, which has been significantly positive over the past decade, employment growth among major industries has shown a greater degree of fluctuation. Over the course of the past year, a number of industries, led by nondurable goods manufacturing (-5.5%) and wholesale trade (-3.5%) have experienced

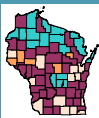
employment losses. As an industry, the 3.0% loss in manufacturing employment in 2001 is significant, although it is important to note that a large share of this loss has been concentrated in nondurable goods manufacturing, while durable goods manufacturing, which has been a staple of industry employment in the area for the last century experienced far lesser percentage loss.

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002

In contrast, a number of industry sectors, such as retail trade (7.9%), construction and mining (6.5%), and finance, insurance, and real estate (3.9%) posted employment gains over the past year. Much of this growth can be attributed to shifting patterns of residential development in the metropolitan area. Over the course of the past five years, these three sectors have paced job growth in the county, reporting increases between 26.9% and 23.5%. In fact, over this period, a majority of major industries have experienced significant job growth, with the exception of transportation, communications, and utilities, as illustrated in the graph to the left. Importantly, despite the recent employment losses discussed previously, manufacturing posted a 4.7% gain.



State of Wisconsin - Waukesha County

Top 10 Employers

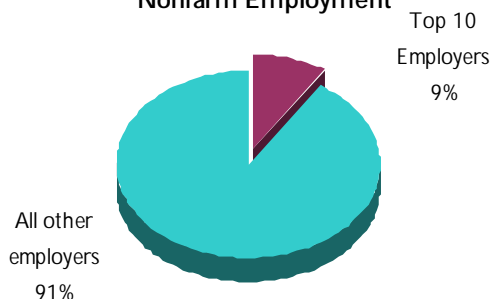
Company	Product or Service	Size
Kohl's Department Stores Inc.	Department Store	1000+
Quad/Graphics Inc.	Commercial Printing	1000+
General Electric Co	X-ray and Irradiation Equipment	1000+
Waukesha Memorial Hospital Inc.	General Medical and Surgical Hospitals	1000+
The Gap Inc.	Department Store	1000+
Target Stores	Department Store	1000+
Cooper Power Systems Inc.	Switchgears and Transformers	1000+
Wal-Mart Associates Inc.	Department Store	1000+
United Parcel Service Inc.	Air Courier Services	1000+
Community Memorial Hosp Of Menomonee	General Medical and Surgical Hospitals	1000+

Top 10 Industry Groups

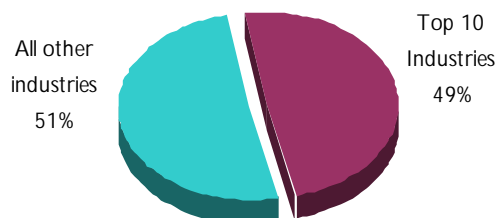
Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Health Services	559	15,193	494	2,045
Business Services	841	14,432	-2,841	2,507
Wholesale Trade-Durable Goods	1,244	13,760	-555	991
Industrial Machinery and Equipment	338	12,188	-171	-339
Educational Services	75	11,567	179	1,093
Eating and Drinking Places	440	11,228	328	1,514
Special Trade Contractors	996	10,052	146	2,229
Printing and Publishing	153	9,061	-18	879
General Merchandise Stores	17	8,090	3,465	3,247
Electronic & other Electric Equipment	68	6,865	-188	1,271

*data suppressed to maintain confidentiality

Top 10 Employers' Share of
Nonfarm Employment



Top 10 Industry Group Share
of Nonfarm Employment



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

An analysis of the top employers in Waukesha County shows a number of interesting factors. Due to significant corporate growth, coupled with the opening of new locations have combined to lead Kohl's Department Stores, which had not ranked among the top ten firms in the county to lead the county in firm employment. The growing importance of retail trade in the county is also stated by the presence of firms such as The Gap, Target

Stores, and Wal-Mart Associates among the top ten employers. Quad/Graphics, which was the top employer in 2000, remained strong in 2001, ranking number two, despite significant job losses in the printing industry over the past years. The influence of the healthcare industry is represented by the presence of Waukesha Memorial Hospital (#4) and Community Memorial Hospital of Menomonee Falls

(Continued on page 7)



State of Wisconsin - Waukesha County

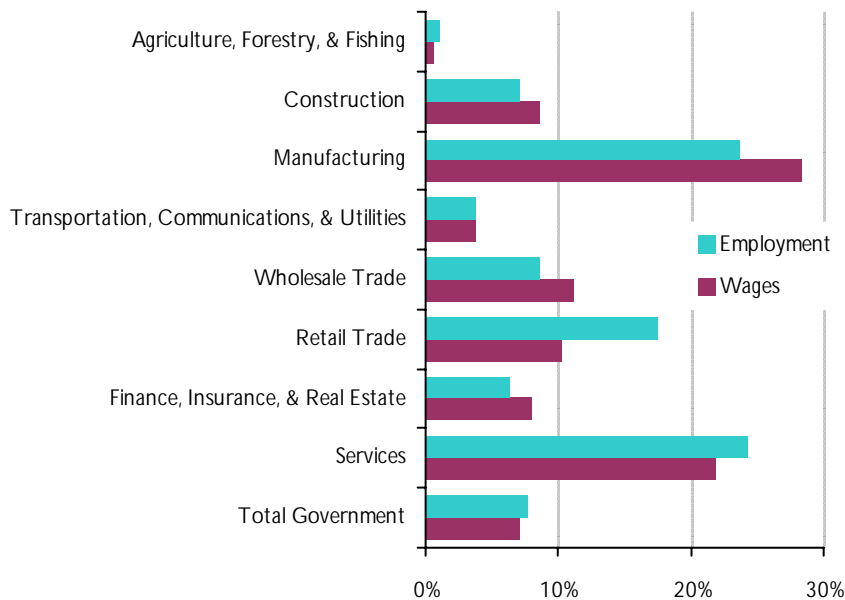
(#10), as well as General Electric, Inc.'s Medical Systems division (#3) among the top employers.

Among industry sectors, health and business services continue to dominate industry employment in the county. The presence of traditional sectors, such as durable goods wholesale trade firms and industrial machinery and equipment, and electronics and other electric equipment among the top sectors again points to the continued strength of manufacturing in the county. The presence of other

industries, such as educational services, special trade contractors, eating and drinking places, and general merchandise stores point to population growth trends in the county.

The combined influence of the top ten firms in the county is evidenced by the fact that 9% of the county's labor force is employed by one of these firms. The dominance of the top ten industry sectors is even greater, as 49% of the county's labor force is employed in one of these sectors.

Employment & Wage Distribution by Industry Division



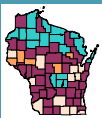
Wage growth in Waukesha County has been as significant as employment growth over the past five years. The table below lists annual average wages by industry in Waukesha County. In 2001, the average annual wage in the county was \$37,086, which is nearly 20% above the state average, and is the highest average in the metropolitan area. Industry wages in the county outpace those in the state and metropolitan area, as well. Average wages in construction (16.3% above average), retail trade (+47.8%), services (+15.2%), and manufacturing (+12.0%) are all significant as, due to demographic changes, each of these industries has a high degree of competition for workers in the metropolitan area.

Annual Average Wage By Industry Division

	Waukesha Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 37,086	\$ 30,922	119.9%	3.7%	24.6%
Agriculture, Forestry, & Fishing	\$ 23,208	\$ 22,565	102.9%	2.3%	20.0%
Construction	\$ 45,371	\$ 39,011	116.3%	3.7%	24.7%
Manufacturing	\$ 44,497	\$ 39,739	112.0%	2.0%	20.3%
Transportation, Communications, & Utilities	\$ 38,273	\$ 36,639	104.5%	0.7%	20.7%
Wholesale Trade	\$ 48,388	\$ 40,521	119.4%	-0.6%	23.4%
Retail Trade	\$ 21,568	\$ 14,596	147.8%	31.9%	49.5%
Finance, Insurance, & Real estate	\$ 47,027	\$ 40,933	114.9%	1.8%	38.1%
Services	\$ 33,384	\$ 28,775	116.0%	5.1%	30.1%
Total Government	\$ 34,116	\$ 33,785	101.0%	1.9%	12.5%

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

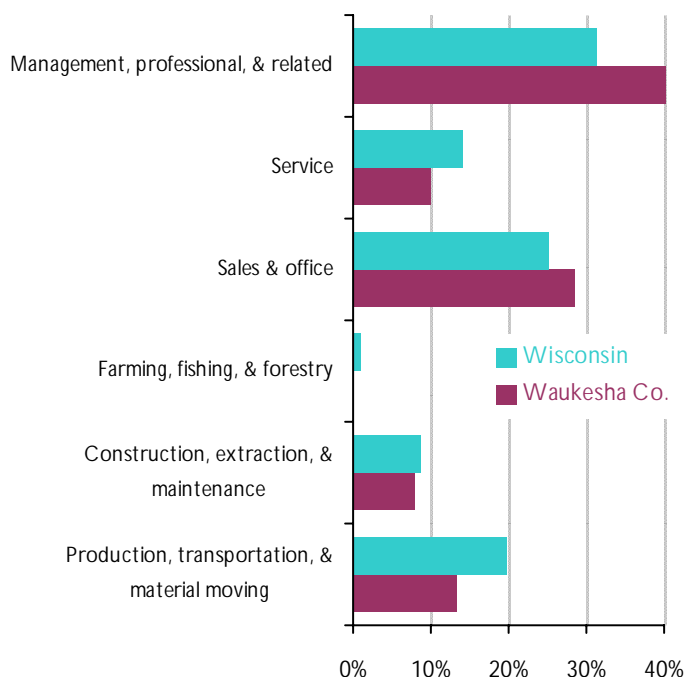
Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



Occupation and Education Characteristics of County Population

Two additional factors that are integral to an understanding of the Waukesha County labor force are the occupational distribution and educational attainment of the county's labor force. The occupational distribution of residents represented in the 2000 census is listed to the right. A number of important trends can be seen in this distribution. First, and most importantly, the dominance of management, professional and related occupations in the county's labor force is apparent. At approximately 40%, the share of those workers in this occupational group is nearly 10% larger than the state share, and reflects the growing importance of non-traditional industries in the continuing diversification of the county's economy. Additionally, the large share of workers in sales and office occupations reinforces this conclusion. Another important characteristic of this distribution is that the number of workers in service-related positions is less than the state share, despite the fact that the service sector represented the largest employment sector in the county in 2001. Much of this disparity can be justified through the understanding that the occupations described in the distribution are not tied to any specific industry. Therefore, a number of different occupational groups may be employed in any given industry. An additional, and final example of this is the observation that the share of the population in production, transportation and material moving occupations is

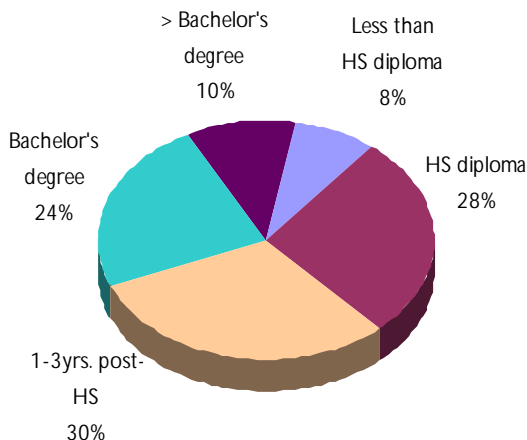
Employment by Occupation Group: 2000



US Department of Commerce, Census 2000

less than the state share, despite the fact that the manufacturing sector is the third highest employment sector in the county.

Education Attainment in 2000



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

Moving to a discussion of the county's educational attainment, the chart below suggests that the Waukesha County population is highly education. Amongst those above the age of 18, 34% possess at least a bachelor's degree. This percentage is again the second highest in the metropolitan area, behind Ozaukee County's 39%, but ahead of Milwaukee and Washington counties, at 24% and 22%, respectively. Additionally, a vast majority of the population, 92% possess at least a high school diploma. An additional note with regards to the county's educational attainment pertains to the 30% of the population who have completed between 1 and 3 years of postsecondary education. While the census does not account for the completion of a vocational or associate's degree program, the presence of a number of strong technical college systems, including Waukesha County Technical College plays an important role in this development..



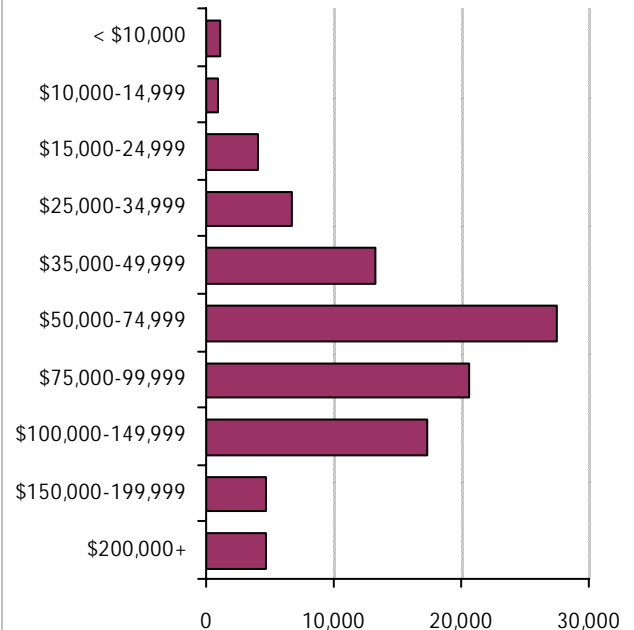
County Income Information

A final factor in coming to a complete understanding of the state of the Waukesha County labor force is an understanding of income factors in the county. The first of a variety of factors, median household income, is illustrated in the distribution to the right. In 2000, the median household income of Waukesha County was \$62,839, which was the highest in the four county metropolitan area. The cause of this high figure is apparent by an examination of the distribution. A relatively high proportion of the county's households reported annual incomes above \$50,000. Additionally, the high number of households reporting annual incomes of \$100,000 or above points to the high level of prosperity in the county. Much of the high income reported in the county is a function of the high wages paid by employers in the county, as well as those paid by employers throughout the metropolitan area, particularly in Milwaukee County.

An additional measure of the level of prosperity of the county can be seen when examining the percentage of those residents living in poverty in the county. In 1999, 1.7% of families, 2.7% of individuals, and 8.8% of single mother families reported income levels below the poverty line in 1999. These percentages are among the lowest in the metropolitan area and are significantly lower than Milwaukee County.

Households by Income Range

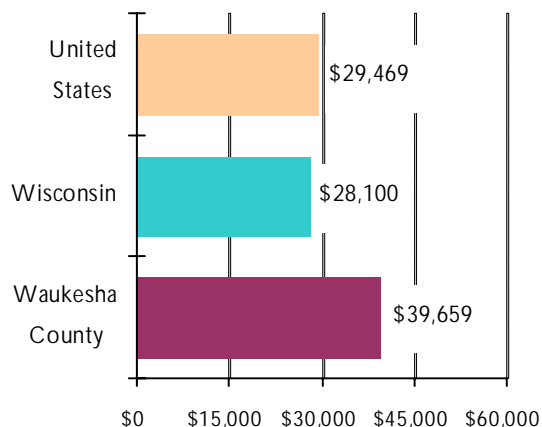
Median household income in Waukesha Co. \$62,839



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

A final indicator of relative prosperity is per capita personal income, which accounts for sources of income in addition to salary and wages. The Waukesha County PCPI of \$39,659 is the second highest in the metropolitan area and is significantly higher than either the state or national figure. This again indicates a great degree of prosperity in the county.

Per Capita Personal Income 2000



Source: US Department of Commerce, Bureau of Economic Analysis

Components of Total Personal Income: 2000

